

Office Memorandum

• UNITED STATES GOVERNMENT

TO : Richard Scammon - DRW

DATE: July 6, 1951

FROM : Marilyn Sworzyn - WEER *mlb*

SUBJECT: Appendix A (Spanish Economic Situation) NIE-34

The economic section appears to contain no gross misstatements of fact. Some minor corrections and additions have been penciled on the copy. The draft should be reworked to improve its organization.

Section II, Mining and Metallurgy and I Agriculture appear particularly weak. CIA has not sufficiently pointed out the strategic importance of these industries, particularly mining and metallurgy. The gist of Section II is that Spain has considerable strategic minerals and metals except coal, but they are largely undeveloped. No mention was made of the contribution they may make to total world supply.

In Section I the problem of supplying essential foodstuffs is not separated from a discussion of the dependence of the economy on agricultural exports as a source of foreign exchange.

The irregularity of rainfall deserves greater emphasis. In fact, electric power is of sufficient importance to warrant separate treatment even in this brief appendix. Agriculture, mining and metallurgy, and other industries are all highly dependent on an adequate supply of power. The high percentage of investment in electric power as contrasted to thermal power deserves emphasis.

MDS;mlb

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